

SECOND REGULAR SESSION

HOUSE BILL NO. 1576

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES TREADWAY, BARRY, REID, FRASER, LIESE, GEORGE,
O'TOOLE, FOLEY AND LEVIN (Co-sponsors).

Read 1st time January 22, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

3552L.011

AN ACT

To repeal sections 137.115 and 137.180, RSMo, and to enact in lieu thereof two new sections relating to real property assessments.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 137.115 and 137.180, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 137.115 and 137.180, to read as follows:

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's
2 deputies in all counties of this state including the city of St. Louis shall annually make a list of
3 all real and tangible personal property taxable in the assessor's city, county, town, or district.
4 Except as otherwise provided in subsection 3 of this section, the assessor shall annually assess
5 all personal property at thirty-three and one-third percent of its true value in money as of January
6 first of each calendar year. The assessor shall annually assess all real property, including any
7 new construction and improvements to real property, and possessory interests in real property
8 at the percent of its true value in money set in subsection 5 of this section. **For all real property**
9 **assessments beginning on or after January 1, 2003,** the assessor shall annually assess all real
10 property in the following manner: new assessed values shall be determined as of [January first
11 of each odd-numbered year] **January 1, 2003, and every four years thereafter,** and shall be
12 entered in the assessor's books; those same assessed values shall apply in the **three years**
13 following [even-numbered year] **each assessment,** except for new construction and property
14 improvements which shall be valued as though they had been completed as of January first of
15 the preceding [odd-numbered year] **assessment.** The assessor may call at the office, place of

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

16 doing business, or residence of each person required by this chapter to list property, and require
17 the person to make a correct statement of all taxable real property in the county owned by the
18 person, or under his or her care, charge, or management, and all taxable tangible personal
19 property owned by the person or under his or her care, charge, or management, taxable in the
20 county. On or before January first of each [even-numbered] year **preceding the next required**
21 **assessment**, the assessor shall prepare and submit a [two-year] **four-year** assessment
22 maintenance plan to the county governing body and the state tax commission for their respective
23 approval or modification. The county governing body shall approve and forward such plan or
24 its alternative to the plan to the state tax commission by February first. If the county governing
25 body fails to forward the plan or its alternative to the plan to the state tax commission by
26 February first, the assessor's plan shall be considered approved by the county governing body.
27 If the state tax commission fails to approve a plan and if the state tax commission and the
28 assessor and the governing body of the county involved are unable to resolve the differences, in
29 order to receive state cost-share funds outlined in section 137.750, the county or the assessor
30 shall petition the administrative hearing commission, by May first, to decide all matters in
31 dispute regarding the assessment maintenance plan. Upon agreement of the parties, the matter
32 may be stayed while the parties proceed with mediation or arbitration upon terms agreed to by
33 the parties. The final decision of the administrative hearing commission shall be subject to
34 judicial review in the circuit court of the county involved. In the event a valuation of subclass
35 (1) real property within any county of the first classification with a charter form of government,
36 or within a city not within a county, is made by a computer, computer-assisted method, or a
37 computer program, the burden of proof, supported by clear, convincing, and cogent evidence to
38 sustain such valuation, shall be on the assessor at any hearing or appeal. In any such county,
39 unless the assessor proves otherwise, there shall be a presumption that the assessment was made
40 by a computer, computer-assisted method, or a computer program. Such evidence shall include,
41 but shall not be limited to, the following:

42 (1) The findings of the assessor based on an appraisal of the property by generally
43 accepted appraisal techniques; and

44 (2) The purchase prices from sales of at least three comparable properties and the address
45 or location thereof. As used in this paragraph, the word "comparable" means that:

46 (a) Such sale was closed at a date relevant to the property valuation; and

47 (b) Such properties are not more than one mile from the site of the disputed property,
48 except where no similar properties exist within one mile of the disputed property, the nearest
49 comparable property shall be used. Such property shall be within five hundred square feet in size
50 of the disputed property, and resemble the disputed property in age, floor plan, number of rooms,
51 and other relevant characteristics.

52 2. Assessors in each county of this state and the city of St. Louis may send personal
53 property assessment forms through the mail.

54 3. The following items of personal property shall each constitute separate subclasses of
55 tangible personal property and shall be assessed and valued for the purposes of taxation at the
56 following [percents] **percentages** of their true value in money:

57 (1) Grain and other agricultural crops in an unmanufactured condition, one-half of one
58 percent;

59 (2) Livestock, twelve percent;

60 (3) Farm machinery, twelve percent;

61 (4) Motor vehicles which are eligible for registration as and are registered as historic
62 motor vehicles pursuant to section 301.131, RSMo, and aircraft which are at least twenty-five
63 years old and which are used solely for noncommercial purposes and are operated less than fifty
64 hours per year or aircraft that are home built from a kit, five percent;

65 (5) Poultry, twelve percent; and

66 (6) Tools and equipment used for pollution control and tools and equipment used in
67 retooling for the purpose of introducing new product lines or used for making improvements to
68 existing products by any company which is located in a state enterprise zone and which is
69 identified by any standard industrial classification number cited in subdivision (6) of section
70 135.200, RSMo, twenty-five percent.

71 4. The person listing the property shall enter a true and correct statement of the property,
72 in a printed blank prepared for that purpose. The statement, after being filled out, shall be signed
73 and either affirmed or sworn to as provided in section 137.155. The list shall then be delivered
74 to the assessor.

75 5. All subclasses of real property, as such subclasses are established in section 4(b) of
76 article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the
77 following percentages of true value:

78 (1) For real property in subclass (1), nineteen percent;

79 (2) For real property in subclass (2), twelve percent; and

80 (3) For real property in subclass (3), thirty-two percent.

81 6. Manufactured homes, as defined in section 700.010, RSMo, which are actually used
82 as dwelling units shall be assessed at the same percentage of true value as residential real
83 property for the purpose of taxation. The percentage of assessment of true value for such
84 manufactured homes shall be the same as for residential real property. If the county collector
85 cannot identify or find the manufactured home when attempting to attach the manufactured home
86 for payment of taxes owed by the manufactured home owner, the county collector may request
87 the county commission to have the manufactured home removed from the tax books, and such

88 request shall be granted within thirty days after the request is made; however, the removal from
89 the tax books does not remove the tax lien on the manufactured home if it is later identified or
90 found. A manufactured home located in a manufactured home rental park, rental community,
91 or on real estate not owned by the manufactured home owner shall be considered personal
92 property. A manufactured home located on real estate owned by the manufactured home owner
93 may be considered real property.

94 7. Each manufactured home assessed shall be considered a parcel for the purpose of
95 reimbursement pursuant to section 137.750, unless the manufactured home has been converted
96 to real property in compliance with section 700.111, RSMo, and assessed as a realty
97 improvement to the existing real estate parcel.

98 8. Any amount of tax due and owing based on the assessment of a manufactured home
99 shall be included on the personal property tax statement of the manufactured home owner unless
100 the manufactured home has been converted to real property in compliance with section 700.111,
101 RSMo, in which case the amount of tax due and owing on the assessment of the manufactured
102 home as a realty improvement to the existing real estate parcel shall be included on the real
103 property tax statement of the real estate owner.

104 9. The assessor of each county and each city not within a county shall use the trade-in
105 value published in the October issue of the National Automobile Dealers' Association Official
106 Used Car Guide, or its successor publication, as the recommended guide of information for
107 determining the true value of motor vehicles described in such publication. In the absence of a
108 listing for a particular motor vehicle in such publication, the assessor shall use such information
109 or publications which in the assessor's judgment will fairly estimate the true value in money of
110 the motor vehicle.

111 10. (1) If the assessor increases the assessed valuation of any parcel of subclass (1) real
112 property by more than [seventeen] **ten** percent since the last assessment, excluding increases due
113 to new construction or improvements, then the assessor shall conduct a physical inspection of
114 such property.

115 (2) **Any person required by this chapter to list property may request that the**
116 **assessor conduct a physical inspection of such property, including but not limited to the**
117 **interior of the property, regardless of whether the assessor has increased the assessed**
118 **valuation of such property.**

119 (3) **As used in this section, "physical inspection" means that whenever the assessor**
120 **or any person acting on the assessor's behalf shall perform an inspection of any parcel of**
121 **real property in subclass (1), as established in article X, section 4(b) of the Missouri**
122 **Constitution and defined in section 137.016, for the purpose of determining the assessed**
123 **valuation of such parcel due to an increase of more than ten percent in the property's**

124 **assessed valuation, the assessor or such person acting on the assessor's behalf shall:**

125 **(a) Visually inspect any structure on the property from the street, outside of such**
126 **inspector's vehicle; and**

127 **(b) Request permission from the owner or occupant of any residence, if such person**
128 **is available, to enter onto the property to examine all exterior sides of the building or to**
129 **inspect the interior of the residence. If permission is given, the assessor or the assessor's**
130 **representative shall conduct such inspections as have been authorized.**

131 **(4) All notices of assessment of residential properties shall advise the recipient that,**
132 **in the event of an increase of more than ten percent in the property's assessed valuation**
133 **since the last reassessment, an inspection of the interior of any structure may be requested**
134 **within thirty days of receipt of the notice, and shall advise the recipient how to arrange for**
135 **such inspection.**

136 **(5) A "drive-by" inspection of residential property shall not be used for any**
137 **inspection of residential real property which is required pursuant to this chapter.**

138 **11. The assessor shall make available to each person required by this chapter to list**
139 **property all documentation used or acquired in the assessment of such person's property,**
140 **and such documentation shall be available for inspection in the assessor's office, or**
141 **accessible on-line via computer through such office's Internet web site connection, or both.**

137.180. Whenever any assessor shall increase the valuation of any real property he shall
2 forthwith notify the record owner of such increase, either in person, or by mail directed to the last
3 known address; every such increase in assessed valuation made by the assessor shall be subject
4 to review by the county board of equalization whereat the landowner shall be entitled to be heard,
5 and the notice to the landowner shall so state. **In such hearings, the county board of**
6 **equalization shall take into consideration any unique characteristics of the residential real**
7 **property.**